

AMENDED IN ASSEMBLY JANUARY 4, 2006

AMENDED IN ASSEMBLY AUGUST 18, 2005

AMENDED IN SENATE MAY 9, 2005

AMENDED IN SENATE APRIL 12, 2005

SENATE BILL

No. 909

Introduced by Senator Escutia

*(Principal coauthors: Assembly Members Cohn, Houston, and
Ridley-Thomas)*

**(~~Coauthor: Senator Perata~~ Coauthors: Senators Alarcon, Bowen,
and Kuehl)**

February 22, 2005

~~An act to amend Section 709 of the Public Utilities Code, relating~~
An act to add and repeal Chapter 7 (commencing with Section 11700)
of Part 1 of Division 3 of Title 2 of the Government Code, relating to
telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

SB 909, as amended, Escutia. ~~Telecommunications: video services:~~
~~fair competition.~~ *Broadband access.*

Existing law provides for various programs for the development of telecommunications services in the state.

This bill would, until January 1, 2010, establish the California Broadband Access Council in state government, with a specified membership, and require the council to develop a broadband access strategy to promote the ubiquitous use of high-speed Internet communications and computing technology by all Californians consistent with specified principles.

The bill would require the council to provide a specified annual report to the Legislature.

The bill would require the council to establish a nonprofit entity to fund community projects consistent with the strategy developed by the council. The bill would declare that the nonprofit entity is not an entity of state government.

~~Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law authorizes the commission to establish rules for all public utilities, subject to control by the Legislature. Existing law declares the policies for telecommunications in this state.~~

~~This bill would declare establishing fair competition in the areas of telecommunications and video services as a policy for telecommunications in this state.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 7 (commencing with Section 11700) is
2 added to Part 1 of Division 3 of Title 2 of the Government Code,
3 to read:

4
5 CHAPTER 7. BROADBAND ACCESS

6
7 Article 1. Findings and Declarations

8
9 11700. The Legislature finds and declares all of the
10 following:

11 (a) Technological advancement in the communications and
12 computing industries brings the promise of a future with a highly
13 skilled workforce, high-paying jobs, telecommuting, greater
14 opportunities for self-employment, enhanced public safety,
15 greater access to, and improvement of, California's educational
16 system, health care services and governmental services, and the
17 ability to connect to information. To ensure this future, a
18 thorough, comprehensive, and coherent strategy that looks at all
19 of the factors associated with the availability of, and demand for,
20 these technologies is needed.

1 ***(b) There are barriers to the use of high-speed Internet access***
2 ***and the services made available through that technology,***
3 ***particularly for low-income, non-English speaking, rural, and***
4 ***disabled communities. These barriers can include technological***
5 ***illiteracy and apprehension, lack of useful content, service***
6 ***availability and security, unawareness of the benefits of the***
7 ***technologies, the complexity of combining the equipment and***
8 ***services necessary to make high-speed Internet access functional,***
9 ***and cost. Therefore, strategic efforts should address the barriers***
10 ***to availability and use of high-speed Internet access by these***
11 ***communities.***

12 ***(c) California's state government agencies and institutions***
13 ***should increase public access to government services by using***
14 ***high-speed Internet access and related computing capabilities.***

15 ***(d) High-speed Internet access can be provided over many***
16 ***separate and unique technology platforms, including, but not***
17 ***limited to, cable, DSL, fiber, wireless, and power line facilities.***
18 ***Policies designed to promote the availability and use of***
19 ***high-speed Internet access must be technology neutral so that***
20 ***those policies remain robust, competitive, and relevant to***
21 ***support existing, as well as emerging, technologies.***

22 ***(e) Deploying any type of technology platform capable of***
23 ***providing high-speed Internet access, including, but not limited***
24 ***to, cable, DSL, fiber, wireless, or power line, requires significant***
25 ***capital investment and expertise to maintain state-of-the-art***
26 ***capabilities. California's policies should encourage this***
27 ***investment from the private sector as well as public-private***
28 ***cooperation.***

29 ***(f) Existing programs, laws, and policies that promote or***
30 ***impede the use of high-speed Internet access and computing***
31 ***technology, or provide incentives or disincentives for investment***
32 ***in technology platforms capable of providing high-speed Internet***
33 ***access and computing technology, must be reviewed and updated***
34 ***to promote high-speed Internet access and utilization.***

35
36 ***Article 2. California Broadband Access Council***
37

38 ***11701. (a) The California Broadband Access Council is***
39 ***hereby established in state government.***

1 **(b)** *The council shall consist of 15 appointed members, as*
2 *follows:*
3 **(1)** *Eleven members appointed by the Governor, as follows:*
4 **(A)** *An individual with expertise in using technology to*
5 *develop and implement workforce training.*
6 **(B)** *An individual with expertise in using technology to*
7 *improve the delivery of health care.*
8 **(C)** *An individual with expertise in using technology to assist*
9 *rural economic development.*
10 **(D)** *An individual with expertise in using technology to assist*
11 *the disabled.*
12 **(E)** *An individual with expertise in the telecommunications*
13 *industry.*
14 **(F)** *An individual with expertise in the computing industry.*
15 **(G)** *An individual with expertise in developing online content*
16 *for diverse communities.*
17 **(H)** *An individual with expertise in the provision of*
18 *Internet-based services.*
19 **(I)** *An individual with expertise in local government and*
20 *electronic access to government.*
21 **(J)** *An individual with expertise in grantmaking and nonprofit*
22 *management.*
23 **(K)** *One member of the public whose experience will*
24 *significantly contribute to the mission of the council.*
25 **(2)** *Two members appointed by the Speaker of the Assembly,*
26 *as follows:*
27 **(A)** *An individual with expertise in using technology to serve*
28 *those whose primary language is not English.*
29 **(B)** *A member of the public whose experience will significantly*
30 *contribute to the mission of the council.*
31 **(3)** *Two members appointed by the Senate Committee on*
32 *Rules, as follows:*
33 **(A)** *An individual with expertise in using technology to*
34 *enhance education.*
35 **(B)** *A member of the public whose experience will significantly*
36 *contribute to the mission of the council.*
37 **(c)** *The Governor shall name a member appointed pursuant to*
38 *paragraph (1) of subdivision (b) to serve as chair of the council*
39 *for a two-year term or until the member's term otherwise expires,*
40 *whichever is sooner.*

1 (d) Members shall serve without compensation, but may
2 receive reasonable per diem and travel expenses.

3 11702. (a) The council may do all of the following:

4 (1) Hire staff.

5 (2) Appoint one or more advisory councils.

6 (3) Form committees and subcommittees.

7 (4) Accept donations or private funds for its operations.

8 (b) The council shall meet monthly until the broadband access
9 strategy described in Section 11703 is completed, after which it
10 shall meet quarterly.

11 (c) The council shall provide an annual report to the
12 Legislature on its activities and accomplishments.

13 (d) The council shall not receive any funds through an
14 appropriation in the annual Budget Act for any purpose.

15 11703. (a) Within one year of its first meeting, the council
16 shall develop a broadband access strategy to promote the
17 ubiquitous use of high-speed Internet communications and
18 computing technology by all Californians consistent with the
19 findings and declarations set forth in Section 11700. In
20 developing the strategy, the council shall recognize the
21 following:

22 (1) The use of high-speed Internet communications and
23 computing technology also requires access to relevant
24 applications, content, and training.

25 (2) The use of high-speed Internet access and computing
26 technology should be encouraged in low-income, non-English
27 speaking, rural, and disabled communities.

28 (3) Technology should be used to help meet the state's needs
29 in the areas of economic competitiveness, health care, and
30 education.

31 (b) The strategy shall provide grantmaking guidance to the
32 nonprofit entity established pursuant to Section 11704.

33 (c) For purposes of this chapter, "high-speed Internet
34 communication" is an application that can use various
35 technology platforms, including, but not limited to, cable, DSL,
36 fiber, wireless, or power line, which are capable of providing a
37 high-speed connection to the Internet.

38 11704. (a) The council shall establish a nonprofit entity
39 pursuant to the Nonprofit Public Benefit Corporation Law (Part
40 2 (commencing with Section 5110) of Division 2 of Title 1 of the

1 Corporations Code), to implement a grant program to fund
2 community projects consistent with the broadband access
3 strategy developed pursuant to Section 11703, to promote the
4 ubiquitous use of high-speed Internet communications and
5 computing technology by all Californians.

6 (b) The nonprofit entity shall be self-sustaining, and to that
7 end may solicit and receive funds from any source, public or
8 private, which may only be used for the administrative expenses
9 of the nonprofit entity and the grant program described in
10 subdivision (a).

11 (c) The nonprofit entity shall not be construed to be an entity
12 of state government.

13 (d) The nonprofit entity shall not receive any funds through an
14 appropriation in the annual Budget Act for any purpose.

15 11705. This chapter shall remain in effect only until January
16 1, 2010, and as of that date is repealed, unless a later enacted
17 statute, that is enacted before January 1, 2010, deletes or extends
18 that date.

19 ~~SECTION 1. The Legislature finds and declares all of the~~
20 ~~following:~~

21 ~~(a) At one time cable television corporations were monopoly~~
22 ~~providers of video services, but technological advances have~~
23 ~~made satellite-direct video services a viable competitor.~~

24 ~~(b) Technological advances are allowing telephone~~
25 ~~corporations to offer video service over enhanced~~
26 ~~telecommunications networks.~~

27 ~~(c) Soon, commercial mobile radio service providers,~~
28 ~~including cellular telephone companies, will be offering video~~
29 ~~service over their wireless networks.~~

30 ~~(d) The public interest is served when there is widespread~~
31 ~~access to multiple providers that are competing fairly to offer~~
32 ~~video services to consumers.~~

33 ~~(e) Fair competition requires a level playing field with respect~~
34 ~~to state-mandated obligations.~~

35 ~~(f) It is the intent of the Legislature to establish rules for the~~
36 ~~provision of video services that encourage fair competition.~~

37 ~~SEC. 2 Section 709 of the Public Utilities Code is amended to~~
38 ~~read:~~

39 ~~709. The Legislature hereby finds and declares that the~~
40 ~~policies for telecommunications in California are as follows:~~

1 ~~(a) To continue our universal service commitment by assuring~~
2 ~~the continued affordability and widespread availability of~~
3 ~~high-quality telecommunications services to all Californians.~~

4 ~~(b) To focus efforts on providing educational institutions,~~
5 ~~health care institutions, community-based organizations, and~~
6 ~~governmental institutions with access to advanced~~
7 ~~telecommunications services in recognition of their economic~~
8 ~~and societal impact.~~

9 ~~(c) To encourage the development and deployment of new~~
10 ~~technologies and the equitable provision of services in a way that~~
11 ~~efficiently meets consumer need and encourages the ubiquitous~~
12 ~~availability of a wide choice of state-of-the-art services.~~

13 ~~(d) To assist in bridging the “digital divide” by encouraging~~
14 ~~expanded access to state-of-the-art technologies for rural,~~
15 ~~inner-city, low-income, and disabled Californians.~~

16 ~~(e) To promote economic growth, job creation, and the~~
17 ~~substantial social benefits that will result from the rapid~~
18 ~~implementation of advanced information and communications~~
19 ~~technologies by adequate long-term investment in the necessary~~
20 ~~infrastructure.~~

21 ~~(f) To promote lower prices and broader consumer choice, and~~
22 ~~to avoid anticompetitive conduct.~~

23 ~~(g) To remove the barriers to open and competitive markets~~
24 ~~and promote fair product and price competition in a way that~~
25 ~~encourages greater efficiency, lower prices, and more consumer~~
26 ~~choice.~~

27 ~~(h) To establish fair competition in the areas of~~
28 ~~telecommunications and video services.~~

29 ~~(i) To encourage fair treatment of consumers through~~
30 ~~provision of sufficient information for making informed choices,~~
31 ~~establishment of reasonable service quality standards, and~~
32 ~~establishment of processes for equitable resolution of billing and~~
33 ~~service problems.~~